

BILL ANALYSIS

Senate Research Center
85R11778 GRM-D

S.B. 1145
By: Nichols
Business & Commerce
3/22/2017
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Advanced meters and meter information networks have been deployed across Texas in six million homes in Electric Reliability Council of Texas (ERCOT) areas, providing customers with cost savings and operational benefits, including enhanced energy management tools and faster outage response times. ERCOT utilities deployed these advanced metering systems by filing a deployment plan with the Public Utility Commission (PUC) that adhered to relevant PUC consumer protection rules, and then recovered the costs associated with the deployment through a surcharge authorized by the Texas Legislature. Current law contains some ambiguity as to whether the statute and PUC rules relating to the surcharge and customer protections would apply to Entergy Texas' deployment of advanced meters and meter information networks.

S.B. 1145 clarifies that the surcharge and applicable customer protections adopted by PUC related to the deployment of advanced metering systems would also apply to Entergy Texas. Specifically, the passage of S.B. 1145 allows Entergy Texas, if it chooses to deploy advanced meters and metering information networks, to do so in the same manner as authorized for ERCOT utilities. This bill requires and ensures that a deployment plan approved by PUC for Entergy Texas contains the same customer protections, data security provisions, and opt-out provisions provided by PUC for ERCOT utilities.

As proposed, S.B. 1145 amends current law relating to the deployment of advanced metering and meter information networks in certain non-ERCOT areas.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 39.452, Utilities Code, by adding Subsections (k) and (l), as follows:

(k) Authorizes an electric utility subject to this subchapter (Transition to Competition in Certain Non-ERCOT Areas) that elects to deploy advanced metering and meter information networks, notwithstanding Subsection (d) (relating to certain applicability restrictions until a certain date), to recover reasonable and necessary costs incurred in deploying advanced metering and meter information networks. Provides that an electric utility that elects to deploy advanced metering or meter information networks is subject to Public Utility Commission of Texas (PUC) rules adopted under Sections 39.107(h) (relating to requiring PUC to establish a nonbypassable surcharge for an electric or transmission and distribution utility) and (k) (relating to PUC rules prohibiting an electric or transmission and distribution utility from taking certain actions). Requires PUC to ensure that any deployment plan approved under this section is consistent with PUC rules related to advanced metering systems regarding customer protections; data security, privacy, and ownership; and options given consumers to continue to receive service through a non-advanced meter.

(1) Requires an electric utility subject to this subchapter that elects to deploy an advanced meter information network to deploy the network as rapidly as practicable to facilitate demand response initiatives and to allow customers to better manage energy use and control costs.

SECTION 2. Effective date: upon passage or September 1, 2017.